

Third Quarter 2017

# LIQUOR NEWS

## Honolulu Liquor Commission

City & County of Honolulu • 711 Kapiolani Blvd., Suite 600 • Honolulu, HI 96813

Phone: (808)768-7300 • Fax: (808)768-7311 • [www.honolulu.gov/liq](http://www.honolulu.gov/liq)



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### IMPORTANT DATES

#### Holidays

Our office will be closed on:

**Friday, August 18, 2017** (Statehood Day)

**Monday, September 4, 2017** (Labor Day)

Replacement Server training classes will be held  
on the Thursday, September 7, 2017



**JULY 1: DISPLAY FY18  
Liquor License**

**JULY 31: DEADLINE to submit Gross  
Liquor Sales (GLS) reports.**

### Administrator's Message

Franklin "Don" Pacarro, Jr.



Aloha Licensees! In a blink of an eye, three years have passed since I was appointed to be the Liquor Control Administrator. I am humbled to have served you thus far, and I look forward to continuing our efforts to effectively and fairly administer and enforce Hawaii's liquor laws.

During my tenure, I emphasized the importance of education for our licensees. The Training Section provides Server Training classes for all managers and bartenders, and has expanded their services to provide Server and Alcohol Awareness training to licensees and their employees. We also provide outreach education by hosting annual symposiums for licensees with topics to improve business operations, customer service, and reducing liabilities. The Honolulu Liquor Commission Investigators have changed their enforcement methodology to incorporate licensee education with our enforcement role.

In addition to education, I take pride in providing great customer service to you. We have decreased the amount of time it takes to process new licenses by streamlining our processes. Since many of the changes were internal, it may not be visible to you, but it is being done to improve efficiency. For your convenience, we have created a user-friendly website that we constantly update with information relevant to your needs. On our website, we have updated over 70 fillable PDF forms that you can download, complete, and print. Important law and rule amendments, quarterly newsletters, and the weekly Hearings Highlights/Synopsis are also posted to keep you better informed.

Over the years, the Honolulu Liquor Commission has made attempts to improve data collection, business processes, and document management. But we were limited in what we

*(continued on page 2)*

could do because of our antiquated system. After working on design and specifications for a new information system, we are now at the point where we are about to start construction. It is our goal that the "new and improved" LCIS will provide for improvements in accountability, automated business processes, online interactions, and digital record keeping. I'm excited to see how technology will advance the Liquor Commission, and I hope you, our licensees, will support us in our efforts.

*-Don Pacarro, Jr.*

## Rule of the Quarter §3-82-38.8 Annual Update of Employee List



Effective April 3, 2017, the Rules of the Liquor Commission for the City and County of Honolulu were amended. Highlighting one of the amendments, Rule §3-82-38.8 Annual Update of Employee List, was revised to require an annual, instead of a semi-annual submission of a licensee's current

Employee List. "All licensees required to register employees pursuant to Rule §3-82-38.5, shall submit to the Commission, annually on a date and in such manner as the Commission may direct, and on such other dates as may be required by the Commission, the name of every person then employed on the licensed premises who is registered with the Commission or who is subject to registration." Approximately a month before the Annual Employee List is due, we will mail you a copy of the current Employee List on file. Please update it and return it to us by the due date.

### Reporting Periods for Annual Update of Employee List:

<u>Due Date</u>	<u>License Class</u>
<b>August 15</b>	Dispenser & Hotel
<b>September 15</b>	Brew Pub, Club, Tour/Cruise Vessel, Cabaret, Condo/Hotel, Winery, BYOB, Small Craft Producer Pub, Class 13(b) Caterer
<b>October 15</b>	Restaurant (License numbers R0001-R0899)
<b>November 15</b>	Restaurant (License numbers R0900-end)

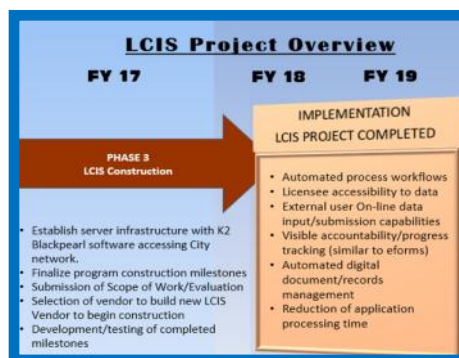
## April to June 2017 Quarterly Stats:

Total active licenses:	1,484
Special licenses issued:	146
Server Training attendees:	1,150
Certificates of Registrations Issued:	3,018
Premise Inspections:	1,102
Violations:	80
Warnings Issued:	32

## LCIS

In 1998, the Liquor Commission Information System (LCIS) was developed to provide a central database to capture information related to liquor licenses. In recent years, we discovered that LCIS had certain limitations, and we could not make modifications to the system. In order to increase functionality, HLC decided to utilize updated technology in order to develop a new information system to accommodate the needs of our licensees. This new system will include additional features, such as: online access capabilities; real-time tracking of applications and requests; automated workflows and notifications; and digital document management. Just this month, DataHouse Consulting, Inc., was selected to begin construction of our new LCIS. Due to the complexity of the design and specifications, we are looking to have our new system fully developed and ready for testing in early

FY19. We expect full deployment of the new LCIS in FY19. Please visit our website for progress updates.



## Reminders

**Your new liquor license must be posted on July 1, 2017 to sell or serve liquor.**



## Gross Liquor Sales (GLS)

GLS REPORTS DUE: **MONDAY, JULY 31, 2017**

The Auditing and Licensing Fee Section reviews, processes, and validates the accuracy of each annual GLS report that you submit. As a reminder, you have until **Monday, July 31, 2017** to submit your original annual GLS report and additional license fee payment, if applicable, for the license year FY2017 (July 1, 2016 to June 30, 2017). Please either hand-carry your original GLS report to the Honolulu Liquor Commission (HLC) by 4:30 p.m. on July 31, 2017, or mail your GLS report to the HLC (must be postmarked on or before July 31, 2017).



## Gross Liquor Sales Workshop

Our HLC Auditors will be conducting two GLS Training Workshops for any licensee who is required to file a GLS report by July 31, 2017. Although enrollment for the workshop on Friday, July 14, is closed, ***we still have seats available for the workshop on Friday, July 21!*** If you would like to attend, please email [liq-auditing@honolulu.gov](mailto:liq-auditing@honolulu.gov) to request a seat. If space is available, you will receive a confirmation email, and will be asked to bring your completed GLS report and supporting documents to the workshop. Please register as soon as possible.

HLC auditors (Akiko Reyes and Seng Vongphila) will review and assist you in filing your GLS report at the end of the workshop.

## Topics to be Covered:

- ♦ Liquor laws and rules pertaining to GLS report filing
- ♦ How to accurately file a GLS report
- ♦ Documents you are required to maintain

**Who:**  
Licensees  
required to file GLS

**When:**  
July 14, 2017 or  
July 21, 2017

**Where:**  
HLC - Hearings Room

**GLS REPORT  
TRAINING  
WORKSHOP**

**ATTEND ONE SESSION  
Friday, July 14 or 21  
9am – 11am**

**WHERE**  
**HONOLULU LIQUOR COMMISSION - HEARINGS ROOM**  
711 Kapiolani Blvd., Suite 600, Honolulu, HI 96813

**WHO**  
**ALL LICENSEES WHO ARE REQUIRED TO FILE  
FY17 GLS REPORTS BY JULY 31, 2017**  
Attorneys, Consultants, and Accountants also welcome

**RSVP BY FRIDAY, JULY 7, 2017**  
**HLC AUDITING TEAM: 768-7360; 768-7321**  
**EMAIL: [LIQ-AUDITING@HONOLULU.GOV](mailto:liq-auditing@honolulu.gov)**  
WEB: <http://www.honolulu.gov/liq/gls.html>

## Any Questions?

**Contact Honolulu Liquor  
Commission Auditing Team**

(808) 768-7360  
(808) 768-7321

Email: [liq-auditing@honolulu.gov](mailto:liq-auditing@honolulu.gov)

or visit our website:  
<https://www.honolulu.gov/liq/gls.html>



## 2017 National Conference of State Liquor Administrators (NCSLA)

HLC sent five representatives to the 2017 NCSLA Annual Conference in Denver, CO: Commissioners Minn, Lee, and Miyashiro, Administrator Pacarro, and Assistant Administrator Hirai. The conference theme was "Regulating Alcohol in Today's Dynamic Marketplace," and attendees benefitted from discussions addressing cutting edge industry practices, and the responses from HLC's regulatory peers.



HLC Commissioners (L-R): Duane Miyashiro, Malama Minn, and Darren Lee.  
(Photo courtesy of William Cheek, III, Esq., Nashville, TN)

## Licensing

The Licensing Section receives many applications and requests. To increase efficiency and reduce wait times, we have streamlined processing criteria via our website and auto-fill forms. A new front counter screening method was also developed to ensure accuracy of forms and documents submitted by licensees and applicants. Listed below are helpful tips on how licensees can assist with the processing of applications and requests.

### §3-81-19.3 Authorized Agent Representing Party.

"When an individual, acting in a representative capacity on behalf of a party, appears in a proceeding or signs a document submitted to the Commission, that personal appearance or signature shall constitute a representation that the individual is lawfully authorized to so act." As such, please provide a completed **Authorized Agent Form** (LIQ-LIC-106) signed by the licensee or applicant to act in this capacity in all proceedings. The Notification of Authorized Agent form is valid for one (1) year from the date authorized.

### §3-86-101.53 Minors on Licensed Premises

Applications for permission of persons under (18) years of age to work on licensed premises where liquor is sold or served shall be submitted on corporate letterhead by the licensee for whom the applicant will work and shall include the following: the exact position the minor will be holding, the minor's proposed work schedule, and the employer's contact information (name, title, phone, email). In addition, the following documents must be presented: 1) an original current valid minor's government-issued photo identification card; 2) an original signed and dated letter of consent from a parent or guardian permitting the minor to work; 3) an original signed and dated letter from a school counselor or other school official attesting to a satisfactory academic grade standing or a copy of the graduation certificate (diploma); and 4) a copy of the minor's Hawaii Certificate of Age, Wage and Standards card.

For details, go to our website and please refer to the Forms/Documents tab, LIQ-REG-202.

[www.honolulu.gov/liq](http://www.honolulu.gov/liq)



2018 NCSLA Officers (L-R): 1st VP Jeffrey Kelly (MD); 2nd VP Teri Quimby (MI); 3rd VP Anna Hirai (HI); President Keith Burt (OK).  
(Photo courtesy of William Cheek, III, Esq., Nashville, TN)

At the annual business meeting, Asst. Administrator Hirai was elected to the 3rd Vice President position for the organization, term beginning July 1.

## Enforcement

The HLC Enforcement Section reminds all licensees and their employees to comply with the Liquor Laws and Rules to avoid receiving a citation for violations. Most recently, Liquor Control Investigators have cited licensees for: 1) allowing the sale, service, and/or consumption after the hours established by HLC resulting in a violation of Rule §3-82-38.19, Hours of Business; 2) closing their doors and allowing after-hours consumption of alcohol on licensed premises, resulting in a violation of Rule §3-82-38.20, Sale, Service or Consumption Before or After Hours of Business; and 3) refusing to open the door upon the request of HLC investigator(s), resulting in a violation of Rule §3-84-79.1, Obstructing Commission Operations.

Adhering to the rules will reduce the number of citations issued and increase public safety.

